

Background to the SC Conservation Bank

- Established in 2002, the SCCB's mission is to improve quality of life in South Carolina through the conservation of significant natural resource lands, wetlands, historical properties and archaeological sites.
- Participation is totally voluntary. The Bank provides incentives for landowners with significant lands that wish to voluntarily conserve their lands for the future.
- Funded by placing 25 cents for every dollar and 30 cents (\$1.30) of the state documentary stamp fee or deed stamp fee in a separate dedicated trust account **monthly** in the name of the South Carolina Conservation Bank. This fee did not require any tax increase.
- This amount rises and falls with the condition of the real estate market in South Carolina.

Background to the SC Conservation Bank

- The SC Conservation Bank does <u>NOT</u> own property.
- The SCCB leverages opportunities with other governmental agencies and the private sector for preservation of significant habitats and unique lands in accordance with strategic goals and initiatives.
- The Bank has committed funding for 286 pieces of land of land located in 45 counties.
- Our goal is to have at least one project in every county.
- These properties are very diverse in habitat and geography. They range from the Mountains; to the PeeDee; to the coastal islands; and even adjoining existing state parks.

 Over the past twelve years, the Conservation Bank has committed grant funds to conserve a total of 289,493 acres across all regions of South Carolina.

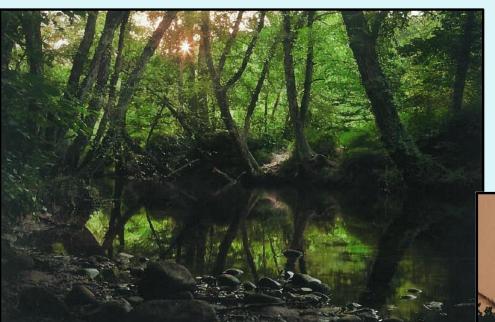
Region	Acres	Cost Per Acre	Amount Funded
Central	90,270	\$355.60	\$32,099,961
Coastal	114,092	\$435.70	\$49,709,794
Pee Dee	62,575	\$442.70	\$27,702,212
Piedmont	22,556	\$1,883.91	\$42,493,536
TOTAL	289,493	\$525.07	\$152,005,503

Conservation Bank Grants have preserved:

- 19,963 acres of family owned and operated farms that were in danger of disappearing and an additional 15,853 acres of cleared lands that are being farmed on the larger tracts.
- 11,088 acres of urban parks for recreation of the state's citizens and visitors.
- 730 acres of historic and archeological sites to preserve important parts of our heritage.
- Over 63,171 acres of Wildlife Management Lands in partnership with the Dept. of Natural Resources mostly adjoining other WMA lands that provide general public access for hunting, fishing, hiking and other outdoor recreation that otherwise might have been lost to the public.

Habitat/Land Cover	Acres	Percent	Award Amount	Cost per Acre
Wetlands	94,006	32.47%	\$30,541,624	\$324.89
Carolina Bays	2,015	0.70%	\$849,166	\$421.42
Open/Cleared Land	15,853	5.48%	\$7,268,130	\$458.47
Agriculture/Family Farms	19,963	6.90%	\$16,566,456	\$829.87
Urban Parks	11,088	3.83%	\$21,865,228	\$1,971.99
Historic Sites	730	0.25%	\$2,286,445	\$3,131.15
Woodlands/Forested	145,838	50.38%	\$72,628,454	\$498.01
TOTAL	289,493	100%	\$152,005,503	\$525.07

Conservation Examples:

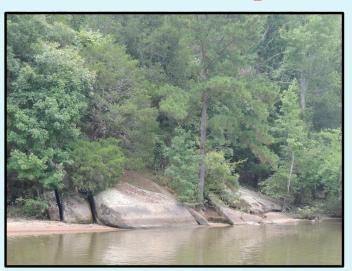


South Saluda Trout Fishing Ext.

27.45 acres in Greenville and Pickens Counties



Conservation Examples:





Liberty Hill Tract

937 acres in Lancaster & Kershaw Counties

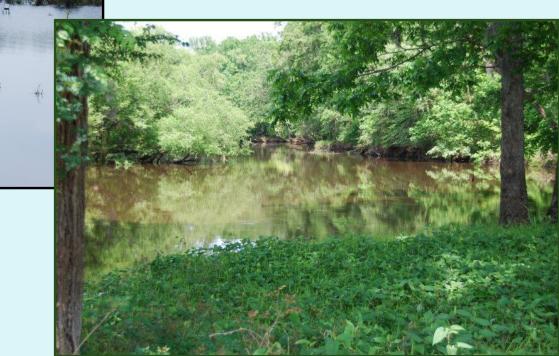




Conservation Examples:

Patriots Plantation II

1,867.50 acres in Williamsburg County



Conservation Examples:



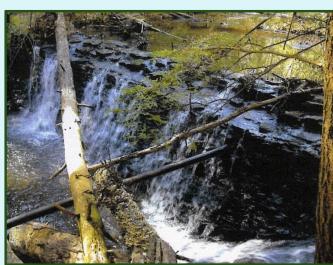
Westervelt Timber

12,418 acres in Allendale & Hampton Counties

Stumphouse Mountain

439.60 acres in Oconee County





Mountain Bridge Passage

175 acres in Greenville County

Conservation Examples:

Boineau Tract

15.45 acres in Charleston County

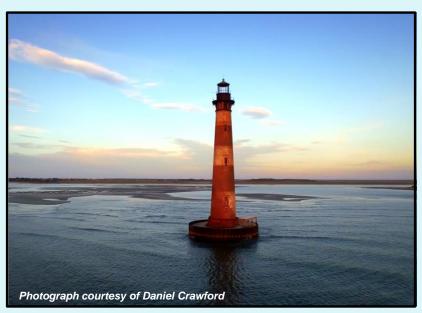




Spring Grove Tract

638 acres in Charleston County

Conservation Examples:





8,347 acres in Marion County

Morris Island Tract

126 acres in Charleston County



Firefly Forest

121 acres in Greenville County

Conservation Examples:



Four Hole Swamp

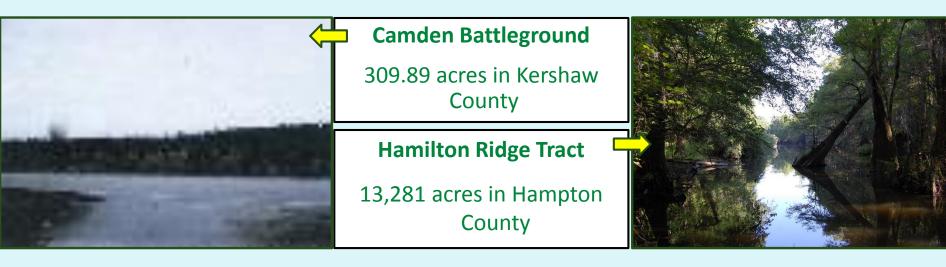
2,444 acres in Orangeburg & Dorchester Counties

Asbury Hills

1,892 acres in Greenville County



Conservation Examples:





Conservation Examples:



Pollard Tract (Milbury)

11,154 acres in Allendale County

Santee River Tract

8,702 acres in Clarendon & Williamsburg Counties



Conservation Examples:



Woodbury Tract

25,668 acres in Marion County

Forty Acre Rock

521.9 acres in Lancaster County

Conservation Examples:



Tokeena Crossroads

1,078 acres in Oconee County



Black Swamp Plantation

2,031 acres in Jasper County

Bryan Dairy

951 acres in Charleston County

Conservation Examples:



Crab Orchard Plantation

2,819 acres in Hampton County



Belfast Plantation

2,220 acres in Laurens & Newberry Counties



431 acres in Clarendon County



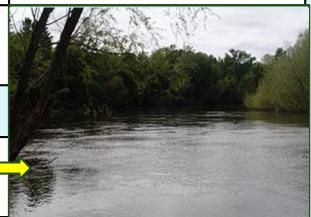
Sumter Wateree Tract

3,749 acres in Sumter County

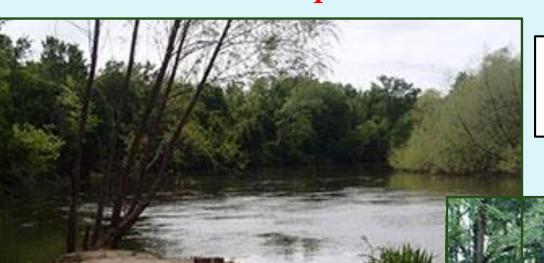


Chisolm Plantation

5,087 acres in Beaufort County



Conservation Examples:



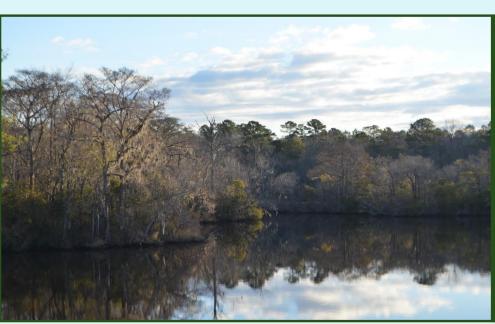
FB SC Tracts

4,201 acres in Sumter County

Congaree Carton

4,912 acres in Sumter County

Conservation Examples:





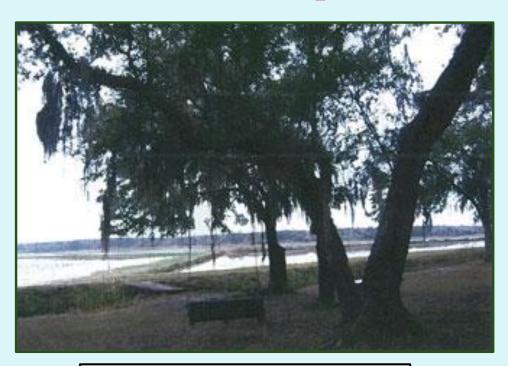
Rocky Point Landing

467.75 acres in Georgetown County

Exley Plantation

5,300 acres in Jasper County

Conservation Examples:



Halidon Hill Plantation
248 acres in Berkeley County



Silver Bluff Audubon Center & Sanctuary
3,282 acres in Aiken County

Conservation Examples:



Church Flats Battery Tract

1.1 acres in Charleston County



Featherhorn Farms

1,206 acres in Clarendon County

Conservation Examples:



Gracefield Properties

573 acres in Colleton County



Conservation Examples:





South Fenwick Island Tract

400.94 acres in Colleton County

Knollwood, Inc. Tracts, Phase I

2,983 acres in Williamsburg County

Conservation Examples:

Angel Oak Preserve

17 acres in Charleston County





SC Conservation Bank Benefits

Comparison to other states:

- Georgia and North Carolina each spend \$100 million plus annually
- Florida spends \$300 million annually
- Minnesota just passed an \$80 Million annual open space sales tax bond
- Ohio has passed a \$400 million open space bill
- Rhode Island has a \$2.5 million annual open space bill
- Montana, Illinois, Pennsylvania, Idaho and Utah have recently joined the list of states that have open space Acts.
- In fact, most states and many counties are moving to establish mechanisms to preserve their open spaces and heritage.

The Conservation Bank leverages its grants in many ways:

- Through matching funds of government agencies and private sector entities as well as donations and bargain sales by the landowners. By using these leveraging sources, we are able to purchase conservation easements and fee simple purchases at a fraction of their value.
 - The Bank has been able to conserve over 289,000 acres of significant lands at an average price of \$525 per acre.
 - The appraised value of our land conservation grants to date is over \$700 million. That represents a 6 to 1 Return on Investment (ROI).
- The other side of the leverage equation is the amount of leverage that is provided by the matching funds from other sources with the Conservation Bank.

- For example, all of our small family farm grants come through the USDA/NRCS which is a federal farm agency that works with the local soil and water conservation districts.
 - The federal requirements in order to receive these funds is 50% from NRCS, 25% from the landowner and 25% from other sources.
 - The Conservation Bank is basically the only source of available matching funds for farm land without which the landowner will not qualify for federal dollars.
 - The Bank has supplied grant funds for about 19,000 acres of family farms at a cost of slightly over \$15 million. Under the NRCS funding formula, the farmer gets twice that amount, so the \$15 million spent by the Bank has generated \$30 million in new money that is being spent in the local community and economy for equipment, machinery, hardware, fuel, labor and other consumer goods.

- This same thing applies to any other NGO that gets grant funds from the bank. Many of them use bank funds for other matching grants.
 - For example: Audubon, Lowcountry Open Land Trust, Ducks Unlimited and others have taken our grant funds and used them to apply for other matching funds from other sources. The DNR, Forestry Commission and PRT also use Conservation Bank grants to obtain other matching funds.
 - For another example: the Bank funded a 2,000 acre tract on the Cooper River at about \$500 per acre. Ducks Unlimited took that grant and applied to NAWCA, which is a federal wildlife associated agency, and received a million dollar grant to fix the dikes and road system on this same tract.
 - All of those funds were spent locally on machinery, fuel, surveys, labor, biologists, and other construction and the property was returned to a functioning farm and outdoor recreational property for natural resources and wildlife, as well as open space and protecting water quality on the river.

Benefits of leveraging SC Conservation Bank funds:

- So, at the end of the day the family farm is preserved in perpetuity producing food and fiber; the recurring jobs associated with the farm will still be there; and the farmer has funds that can provide for his retirement.
- A significant amount of the NGO grants and the grants to DNR and PRT and Forestry have also been used for matching funds from out of state and it has put \$80 million in matching funds back in the state's economy as well as tax revenue through income taxes and sales taxes.
- Land conservation and what the Conservation Bank does is not just about protecting a piece of land. It is a huge investment and positive financial factor in our rural communities and in our local and state businesses. All of which is tied back into improving our quality of life through very real partnerships with business and conservation. It is easy to see the real, on the ground, benefits of conservation and business interests working together.

Public Support for the SC Conservation Bank

- Overwhelming percentages of constituents have voted in favor of preserving significant lands.
- In the four years that the Bank has been eligible for voluntary income tax credits, over 7,800 taxpayers have contributed to the Conservation Bank.
- Since 1990, several independent public opinion surveys have indicated overwhelming support for conservation and preservation of significant lands, habitats and natural resources for future generations.

Public Support for the SC Conservation Bank

- A recent Public Opinion Poll contracted by various groups indicated that 95% of South Carolinians felt that land and water conservation funding was very important to their quality of life. Among the responses:
 - 95% either agree or strongly agree that conserving the places we hunt, fish, and enjoy our outdoor traditions helps maintain our quality of life and makes South Carolina a special place to live.
 - 89% agree that conserving our land and water is an economic positive, and
 - 92% think that state resources should continue to be used to support the Conservation Bank.

SC Conservation Bank Strategic Principles

The Conservation Bank is committed to the development of long-term business and operational strategies to sustain and enhance the natural and cultural resources of the state for its citizens through:

- Public Access to Conservation Lands
- Sponsored Activities & Public Outreach
- Developing a Long-term Conservation Vision for South Carolina
- Building a Stable Financial Base for Conservation Funding

SC Conservation Bank Strategic Principles

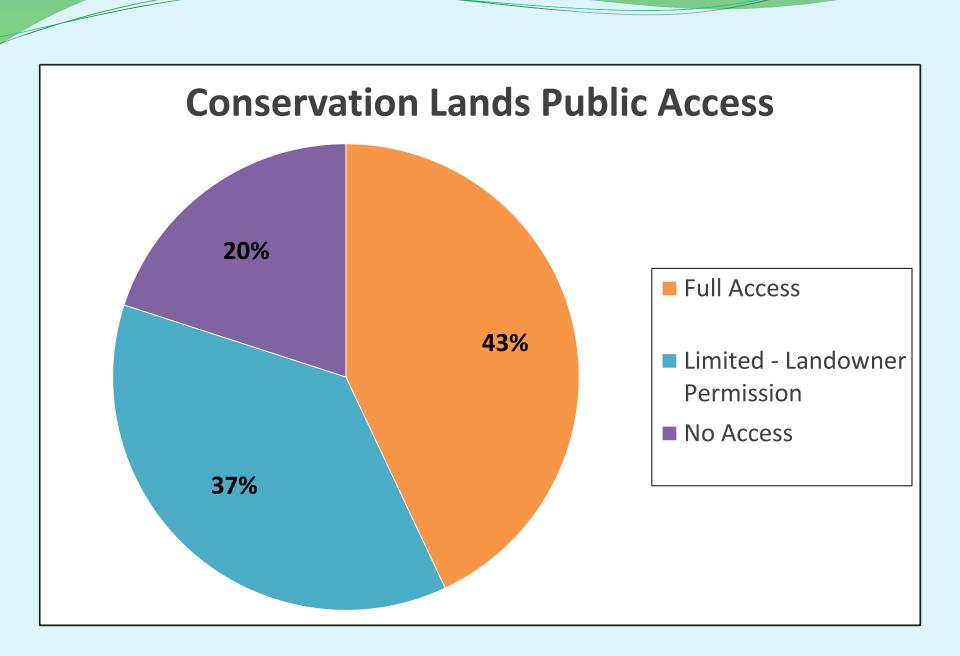
Public Access to Conservation Lands

- We recognize the importance of being able to provide the public with new recreational opportunities as well as expand the quality of life issues these properties provide.
- <u>Eighty-two percent (80%)</u> of the properties funded by the Conservation Bank have some public access.
 - Forty-nine percent (43%) have **unlimited** general access.
 - Thirty-two percent (37%) have regulated public access which means you just have to contact the landowner to arrange access.
- All of our proposals have more public access and benefit after the easement than the public would have ever had without a Conservation Bank grant.

SC Conservation Bank Strategic Principles

Public Access to Conservation Lands by Access Type

Access Type	Number of Tracts	Acreage	Funding	Percent by Tracts	Percent by Acres	Percent by Funding
Full Access	90	86,069	\$65,637,893	31.47%	29.73%	43.18%
Campsites	3	16,567	\$3,912,894	1.05%	5.72%	2.57%
Youth Hunts	11	4,505	\$4,126,467	3.85%	1.56%	2.71%
Limited – Landowner Permission	88	77,561	\$47,195,488	30.77%	26.79 %	31.05%
No Access	94	104,791	\$31,132,760	32.87%	36.20%	20.48%
TOTALS	286	289,493	\$152,005,503	100%	100%	100%



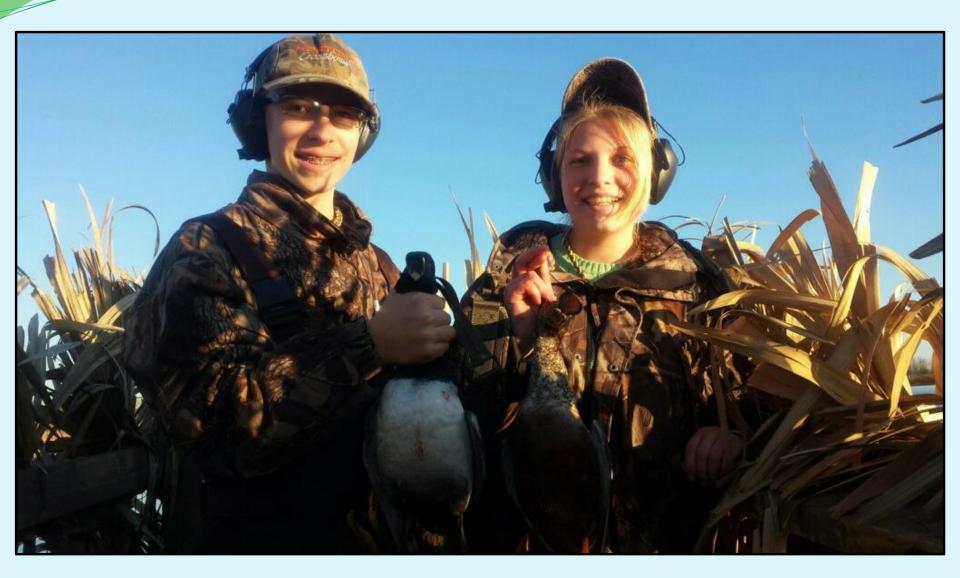
Sponsored Activities & Public Outreach

• The SCCB maintains a public website to disseminate information about the Bank and its programs.

URL: http://sccbank.sc.gov/

 An organization called Pintail Partners conducted a Youth Hunt on Federal Youth day wherein they took all of the kids duck hunting that were not drawn on the DNR Public WMA Hunts. They took 79 Youths hunting at Rimini, SC, all on lands that were participating in The Conservation Bank grants.

Sponsored Activities & Public Outreach



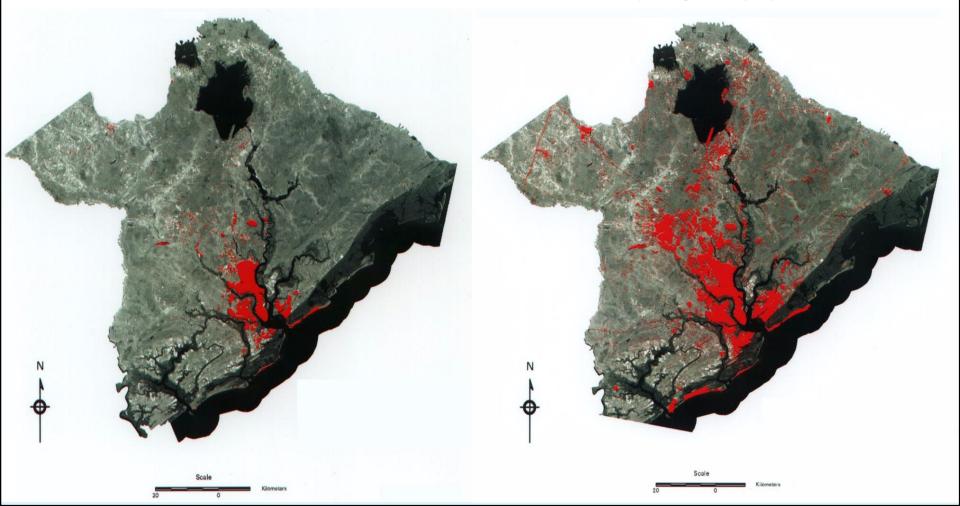
Pintail Partners Youth Hunt 2014

Developing a Long-term Conservation Vision

- The Bank is not **just about** conserving property. We are trying to pursue a bigger **vision** of **keeping** South Carolina a special place that we all appreciate.
- Every day almost 200 acres of farmland and forest lands are being converted to urban development. South Carolina while 40th in size ranks 10th in rate of loss of rural lands.

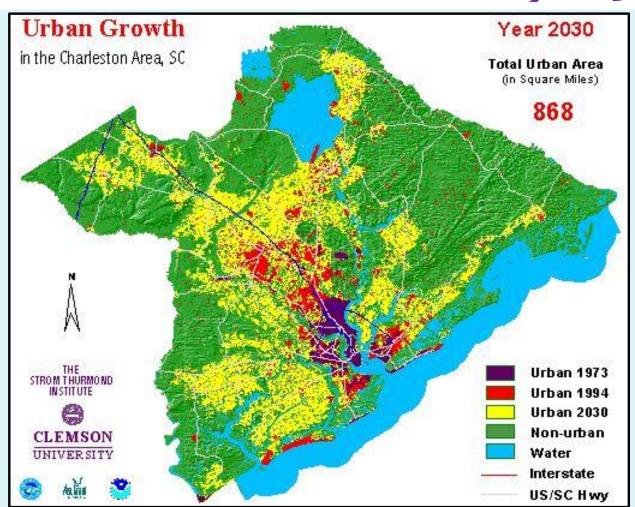
Developing a Long-term Conservation Vision

Urban Growth in Berkeley, Charleston & Dorchester Counties 1973-1994



Developing a Long-term Conservation Vision

Projected Growth in Berkeley, Charleston & Dorchester Counties by 2030

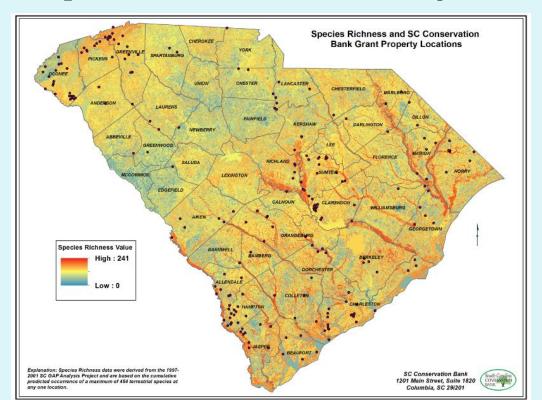


Developing a Long-Term Conservation Vision

- Partnerships with US Military and Dept. of Homeland Security
 - Our military bases are almost all being faced with urban encroachment. The Department of Defense is attempting to increase the buffer zones around most, if not all, of its installations for security and civil liability concerns.
 - If this continues, we could lose some of our bases and economic support in the state.
 - The military commissions are seeking state matching funds through qualified entities almost identical to the same ones the Conservation Bank has already been involved with for 6 years. The only source to date of potential significant matching funds is the Conservation Bank.
 - Without matching funds we will surely lose the federal funds involved here but we might also endanger the location of some of our military bases which would have a very crippling effect on our economy.

Developing a Long-Term Conservation Vision

 Develop "Wagon-Wheel" concept of connecting core areas to create conservation corridors where "spokes" allow for movement of species and interconnectivity of habitats.

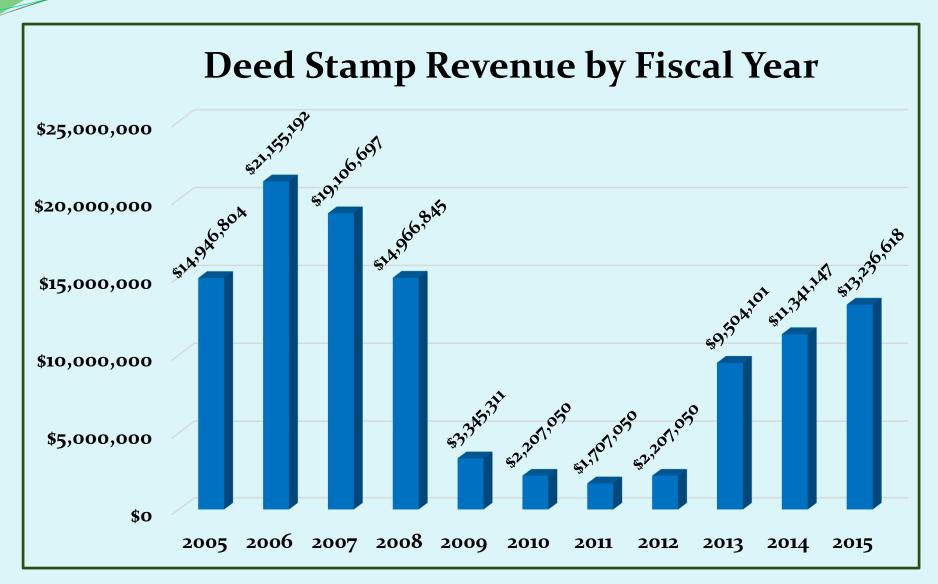


Building a Stable Financial Base for Conservation Funding

- Achieving a consistent, long-term funding base for the Bank is critical to its success but has experienced numerous challenges and impediments to attainment of that goal.
- As the public has become educated about the Conservation Bank, more and more of our landowners who are voluntarily committed to keeping their properties just like they are for generations to come are seeking help from the Bank in order to do so.
- Each year, the requests for conservation grants have exceeded the amount of funding that the Bank receives.
 The demand for funding in the upcoming fiscal year will be even greater.

Building a Stable Financial Base for Conservation Funding: Challenges & Impediments (continued)

- The revenue history of the Bank shows a remarkable roller coaster of ups and downs of our revenue stream.
- This is due in part, to the same ups and downs in the real estate market but in a larger part to the founding legislation of the South Carolina Conservation Bank Act itself.



Building a Stable Financial Base for Conservation Funding: Challenges & Impediments (continued)

- Therein are two clauses that have hampered and continue to be problematic with Bank funding.
 - First, there is a Section in the Bank Act that stipulates that if there is an across the Board budget cut or more than one half of State agencies get budget cuts then the Bank receives no further revenues at all for the remainder of the fiscal year. Not just a percentage cut like all other agencies but all revenues for that fiscal year. This has happened for two and a half annual budget cycles (as indicated on the following bar graph).
 - Second, the Act calls for the Bank to sunset after ten years. Original sunset date was 2013. This time period has expired and with much support from many sectors the Act was extended for five more years until 2018.

SC Conservation Bank Future

Thank you for the opportunity to bring attention to the South Carolina Conservation Bank and our initiatives to preserve the natural landscapes and heritage of the State.

We all should have a significant interest in conservation of our special places. Change is inevitable and many of the changes that are happening in our State are good for our state and our economy. How we manage that change is very important. At the end of the day, we all want basically the same thing: A good quality of life. Conservation and good a business environment are symbiotic. Cooperation between the two initiatives can be hugely beneficial to our state in keeping South Carolina a special place to work, to live and to call home.

Remember this old Native American Proverb:

"We have not inherited the land from our fathers; rather we have borrowed it from our children."



FOR MORE INFORMATION ABOUT THE BANK,

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